

## Message Text

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PAGE 01 STATE 048504

47

ORIGIN EB-07

INFO OCT-01 NEA-10 ISO-00 TRSE-00 COME-00 L-03 CIAE-00

DODE-00 PM-04 H-02 INR-07 NSAE-00 NSC-05 PA-02 PRS-01

SP-02 SS-15 USIA-15 IGA-02 AID-05 CIEP-02 STR-04

OMB-01 CEA-01 FRB-01 XMB-04 OPIC-06 LAB-04 SIL-01

/105 R

DRAFTED BY EB/IFD/OMA:BGCROWE:DLS

APPROVED BY EB/IFD/OMA:RJRYAN

TREASURY:DWOLKOW

COMMERCE:GKERBER (SUBS)

NEA/INS:RMORLEY

L/EB:JROSEN (INFO)

L/NEA:KHUFFMAN (INFO)

----- 056646

R 280155Z FEB 76

FM SECSTATE WASHDC

TO AMEMBASSY NEW DELHI

UNCLAS STATE 048504

E.O. 11652: N/A

TAGS: EFIN, IN

SUBJECT: DEBT ARREARAGES ON USG LOANS AND CREDITS

REF: NEW DELHI 2739

1. STATUS OF "DEBT ARREARAGES" OWED BY INDIA IS BEING  
INTENSIVELY REVIEWED.

2. THE \$4.3 MILLION ARREARAGE NOTED PARA 2 REFTTEL REFERS  
TO LONGSTANDING PROBLEM REGARDING FOUR LEND-LEASE MATTERS  
COVERED BY ARRANGEMENTS EXISTING PRIOR TO 5/16/46

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MUTUAL AID SETTLEMENT AGREEMENT (MAS). THE LARGEST OF

THESE (\$4,157,765) RELATES TO THE SUPPLY OF MACHINE TOOLS  
ON SO CALLED CASH REIMBURSEMENT PROCEDURES.

3. THE GOI HAS TAKEN POSITION THAT THE 1946 MAS AGREE-  
MENT CANCELLED OUT EVERYTHING NOT SPECIFIED IN THE MAS.  
SINCE THE FOUR DISPUTED ISSUES WERE NOT SO SPECIFIED,  
THE GOI VIEWS THEM AS CANCELLED. THE USG HAS DISPUTED  
THIS IN THE PAST.

4. WE ARE STUDYING THIS MATTER IN GREATER DETAIL, AND WILL  
ADVISE YOU AS SOON AS WE ARE ABLE TO PROVIDE MORE  
GUIDANCE. WE HAVE POUCHED SOME MATERIAL WHICH PROVIDES

MORE BACKGROUND ON THIS ISSUE IN THE EVENT SUCH IS NOT  
AVAILABLE AT EMBASSY. ANY INFORMATION YOU HAVE ON MATTER  
WOULD BE APPRECIATED. INGERSOLL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT DEBTS, DEBT REPAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE048504  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** BGCROWE:DLS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760076-0545  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t1976022/aaaaabbl.tel  
**Line Count:** 77  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 NEW DELHI 2739  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** castelsl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
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EO Systematic Review  
04 MAY 2006

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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DEBT ARREARAGES ON USG LOANS AND CREDITS  
**TAGS:** EFIN, IN, US  
**To:** NEW DELHI  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006